

DEPARTMENT OF CORPORATIONS
California's Investment and Financing Authority**Sacramento, California**IN REPLY REFER TO:
FILE NO: PRO 23/04**NOTICE OF PROPOSED FINAL TEXT OF RULES OF
THE COMMISSIONER OF CORPORATIONS UNDER THE
CALIFORNIA DEFERRED DEPOSIT TRANSACTION LAW****To Interested Persons:**

On December 24, 2004, the Commissioner of Corporations published a Notice of Proposed Changes regarding the proposed adoption of Sections 2025, 2026, 2027, 2028, and 2029 in Article 2 and Section 2040 in Article 3 of the Commissioner's rules under the California Deferred Deposit Transaction Law (see California Regulatory Notice Register 2004, No. 52-Z.)

Because the final text of Sections 2025, 2026, 2027, 2028, 2029, and 2040 differs from the text of the regulations dated December 14, 2004, a copy of the final text is being made available to the public in accordance with the requirements of Government Code Section 11346.8(c). The text showing modifications to Sections 2025, 2026, 2027, 2028, 2029, and 2040 is attached. Additions to these sections are shown by double underlining and deletions are shown by double strike-out.

REASONS FOR CHANGES

The initial statement of reasons for the proposed action containing all the information upon which the proposal is based is available from the Office of Law and Legislation, Sacramento Office of the Department of Corporations. Request Document PRO 23/04-C. As required by the Administrative Procedure Act, the Office of Law and Legislation maintains a hearing file containing all the information upon which the proposal is based. The rulemaking file is available for public inspection during regular business hours. Comments or inquiries concerning these proposed regulation changes may be directed to Karen Fong at (916) 322-3553.

Notice is also given that any interested person may present statement or arguments relevant to the proposed action by written communication addressed to the California Corporations Commissioner, Attn: Karen Fong, Staff Services Analyst, Office of Law and Legislation, 1515 K Street, Suite 200, Sacramento, California 95814 and received on or before 5 p.m., November 22, 2005.

- ♦ Securities ♦ Franchises ♦ Off-Exchange Commodities ♦ Investment and Financial Services ♦
♦ Independent Escrows ♦ Consumer and Commercial Finance Lending ♦ Residential Mortgage Lending ♦

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NOTE: The proposed changes to the Commissioner's rules under the California Deferred Deposit Transaction Law set forth above and in the attached final text are not yet effective. When it is known whether the changes to the Commissioner's rules will become effective as proposed, and if so, when, the information will be posted on the Department's website (www.corp.ca.gov) and distributed in the same manner as this notice. These regulations will be filed with the Office of Administrative Law.

Dated: November 7, 2005
Sacramento, California

TIMOTHY L. Le BAS
Deputy Commissioner and General Counsel
Office of Law and Legislation